

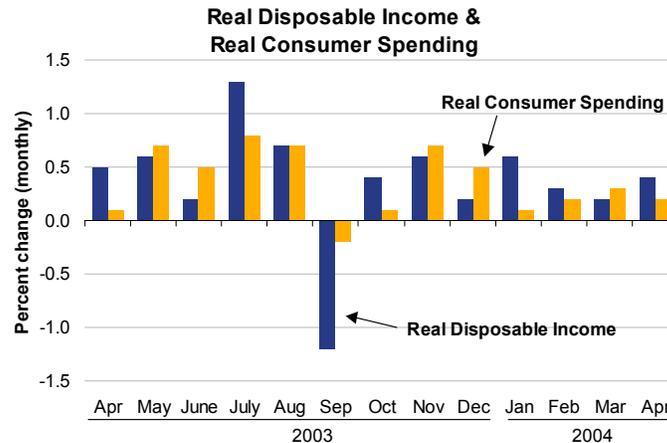


FRIDAY, May 28, 2004

INFLATION-ADJUSTED INCOME ROSE IN APRIL

Personal Income Estimates

Real disposable personal income—after-tax income, adjusted for inflation—increased 0.4 percent in April 2004, and real consumer spending increased 0.2 percent, according to estimates released today by the U.S. Bureau of Economic Analysis. In March, income had increased 0.2 percent, and spending had increased 0.3 percent.



Real consumer spending on services increased more than in March, but spending on durable goods slowed somewhat, and spending on nondurable goods turned down.

Since April of last year, real disposable personal income has increased 4.3 percent, and real consumer spending has increased 4.6 percent.

Personal saving was 2.4 percent of disposable personal income in April, up from 2.2 percent in March.

Personal income—the total income received by individuals, before taxes—increased 0.6 percent in April; in March, it had increased 0.4 percent. (Since April of last year, personal income has increased 5.7 percent.) “Personal income” is *not* adjusted to remove the effects of inflation.

- The April increase was mainly accounted for by increases in employee compensation and in incomes received by proprietors. (Compensation accounts for about two-thirds of all personal income, and proprietors’ income accounts for about one-tenth.)

BEA’s data—including GDP, personal income, the balance of payments, foreign direct investment, the input-output accounts, and economic data for states, local areas, and industries—are available on its Web site: <www.bea.gov>.

NOTE: Estimates of personal income and outlays for May, along with revised estimates for October through April, will be released on June 28, 2004.

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